VZCZCXRO7048 PP RUEHTRO DE RUEHTU #1025/01 2121524 ZNR UUUUU ZZH P 311524Z JUL 07 FM AMEMBASSY TUNIS TO RUEHC/SECSTATE WASHDC PRIORITY 3588 INFO RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0908 RUEHAS/AMEMBASSY ALGIERS PRIORITY 7507 RUEHEG/AMEMBASSY CAIRO PRIORITY 1461 RUEHLO/AMEMBASSY LONDON PRIORITY 1329 RUEHNK/AMEMBASSY NOUAKCHOTT PRIORITY 0896 RUEHFR/AMEMBASSY PARIS PRIORITY 1803 RUEHRB/AMEMBASSY RABAT PRIORITY 8417 RUEHTRO/AMEMBASSY TRIPOLI PRIORITY 0122 RUEHCL/AMCONSUL CASABLANCA PRIORITY 4120 RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY

UNCLAS SECTION 01 OF 02 TUNIS 001025

SIPDIS

SENSITIVE SIPDIS

STATE FOR NEA/MAG (HARRIS), NEA/PI NEA/PPD (SMITH, FINVER AND AGNEW) PARIS FOR ARS (QUEEN, COWHER)

E.O. 12958: N/A

TAGS: <u>PGOV KPAO</u> <u>ECON KCOR TS</u>
SUBJECT: ROBERT SMOLIK SPEAKS ON GOOD GOVERNANCE AND

ECONOMIC GROWTH

Summary

11. (U) During his three day visit (July 9-11) to Tunisia, FSO and Diplomat-in-Residence Robert Smolik addressed a wide range of audiences, including businesspeople, academics, students, media, GOT officials, and members of civil society groups on the topic of "Good Governance and Economic Growth. Smolik's message supported two Mission Strategic Plan goals -- Universal Human Rights Standards and Open and Growing Markets -- and was enthusiastically received by both GOT and civil society listeners. The speaking events also generated several newspaper articles on the economic impact of corruption, a topic rarely addressed in local media. visit provided an excellent starting point for future Embassy activities in support of good governance. End Summary.

Court of Accountability

12. (SBU) In a roundtable meeting with the Court of Accountability, the Tunisian equivalent of the Government Accountability Office (GAO), Smolik stressed the importance of transparency and accountability to good governance and highlighted the critical role that the GAO plays in fighting corruption in the United States. The audience of 20 included judges from each of the Court's chambers. One commented that this roundtable provided great ideas for future Court activity on corruption. Participants were extremely interested in ideas such as whistleblower protection and the Foreign Corrupt Practices Act. The event was successful not only in spreading a critical message to those with the ability to take action, but it also opened the door for future events and cooperation with the Court.

Youth Chamber International - Sousse -----

13. (U) Leaving the capital of Tunis for Sousse, Tunisia's

third largest city, Smolik addressed a group of 40 members of the Sousse chapter of Youth Chamber International (JCI), a group of current, and hopeful, entrepreneurs under the age of ¶40. Smolik's presentation helped to define and explain the elements of good governance, such as transparency and accountability, to a group of young people previously unfamiliar with many of the concepts. While the JCI membership focused on the application of good governance to corporate governance, Smolik stressed that these principles may be applied to the management of any institution —including the government.

National School of Administration

14. (SBU) In an event organized by the Prime Ministry, Smolik spoke to a class of 60 students completing their second year of studies in government administration at the National School of Administration (ENA). The audience, already well-versed in the theory, relished the opportunity to debate and discuss the linkages between good governance and economic growth. COMMENT: Smolik's willingness to acknowledge that even the United States must continue to improve governance and fight corruption was critical to ensuring the message was well-received by an audience destined to enter the Tunisian civil service. END COMMENT.

Tunisian Association of Higher Universities

15. (SBU) Addressing an audience of 50 prominent intellectuals, business people, and journalists, Smolik's

TUNIS 00001025 002 OF 002

presentation centered largely on corruption and its negative economic impact. Discussions on the topic of corruption are extremely rare, making this event notable for both its frankness and for even focusing on the issue at all. The event inspired an article in French daily Le Temps entitled "Corruption and/or Growth," which incorporated the message of Smolik's presentation and presented Transparency International and World Bank statistics on the negative impact of corruption.

Embassy Roundtable

16. (SBU) As part of the Embassy's monthly Human Rights Roundtable series, Smolik facilitated a rousing discussion between ten lawyers, journalists, and representatives of political parties and NGOs. While several participants questioned the direct connection between good governance and economic growth, citing China as a counterexample, most participants agreed that press freedom is critical to good governance and several were outspoken in criticizing the lack of freedom of expression and association in Tunisia. Although the group disagreed on the connection between economic growth and good governance, there was agreement that there must be more opportunities for Tunisian civil society to meet together and have debates such as this.

Impact

17. (SBU) Mr. Smolik's visit presented an excellent opportunity to address two of the Mission Strategic Plan goals -- Universal Human Rights Standards and Open and Growing Markets -- and to reach a wide-ranging audience. While human rights and democracy are often considered off-limits, the topic of good governance was met with enthusiasm rather than resistance. The events generated articles in French-language dailies La Presse and Le Temps,

and in online economic magazine Webmanagercenter. In addition, all groups expressed eagerness to host future USG-sponsored speakers.

18. (U) The Embassy thanks both Robert Smolik and ARS Paris for a successful and productive visit. Smolik's impressive skill in facilitating discussion and tailoring his presentation to each audience helped ensure that the message hit the right target and advanced US foreign policy goals in Tunisia.

GODEC